Manitoba Aboriginal
and Northern Affairs

Annual Report
2002-2003

Manitoba

104-00421/

MINISTER OF ABORIGINAL AND NORTHERN AFFAIRS
MINISTER RESPONSIBLE FOR
COMMUNITIES ECONOMIC DEVELOPMENT FUND

Room 344
Legislative Building
Winnipeg MB R3C 0V8
CANADA

The Honourable Peter M. Liba, C.M., O.M.
Lieutenant-Governor of Manitoba
Room 235 - Legislative Building
Winnipeg, MB R3C 0V8

Your Honour:

I have the privilege to present for your information the Annual Report of the Department of Aboriginal and Northern Affairs for the fiscal year ended March 31, 2003.

Respectfully submitted,

Oscar Lathlin

Manitoba

Deputy Minister of Aboriginal and Northern Affairs

Room 350
Legislative Building
Winnipeg MB R3C 0V8
CANADA

Honourable Oscar Lathlin
Minister
Aboriginal & Northern Affairs
Room 344, Legislative Building
Winnipeg MB R3C 0V8

Dear Minister:

I have the honour of presenting the Annual Report of the Department of Aboriginal and Northern Affairs for the fiscal year ending March 31, 2003. I am pleased to report that the Department made significant progress on many policy and program initiatives during the fiscal period.

The department provided leadership on Aboriginal issues in the areas of policy and program development, the negotiation of settlements, community capacity building and promoting communication and relationship building with the Aboriginal communities and organizations. At the national level, the department took the lead or participated in forums that focussed on strengthening and improving cooperation and coordination with the federal government as well as the other provincial and territorial governments particularly in western and northern Canada.

The department continued to develop partnerships to strengthen Aboriginal participation in the economy. For example, a partnership agreement was signed with Nor-Man Regional Health Authority that commits the parties to work together with the Aboriginal community on the six-point agreement towards increased Aboriginal participation in Norman's workforce.

The department made progress in the ongoing efforts to resolve provincial obligations through the negotiation and implementation of Treaty Land Entitlement, and other agreements related to land or northern hydro development. The department is pleased to have negotiated, along with Manitoba Hydro, to achieve an Agreement-in-Principle with the communities of Cross Lake and Norway House communities to address impacts related to past Hydro development.

.../2

A cornerstone of support for community economic development was implemented last year with a strategic partnership between Intergovernmental Affairs, the Communities Economic Development Fund and Aboriginal and Northern Affairs. This partnership continues to focus on the development of round tables, economic development, planning, and employment and the development of land use plans in support of future development in northern Manitoba

The department continues to improve the water and sewer infrastructure in the communities. A training program is included in this process so that the communities will have certified water plant operators. The department works closely with Red River Community College and the communities to address this need.

Discussions are ongoing with several communities that expressed an interest in working towards incorporation status. Working groups were established consisting of council members, community staff, and departmental employees to pursue the incorporation process.

I would like to take this opportunity to thank you for your leadership and support for innovative initiatives to achieve an improved quality of life that includes enhancement of the economic development and employment opportunities for Aboriginal people and northern Manitobans.

Respectfully submitted,

Harvey Bostrom

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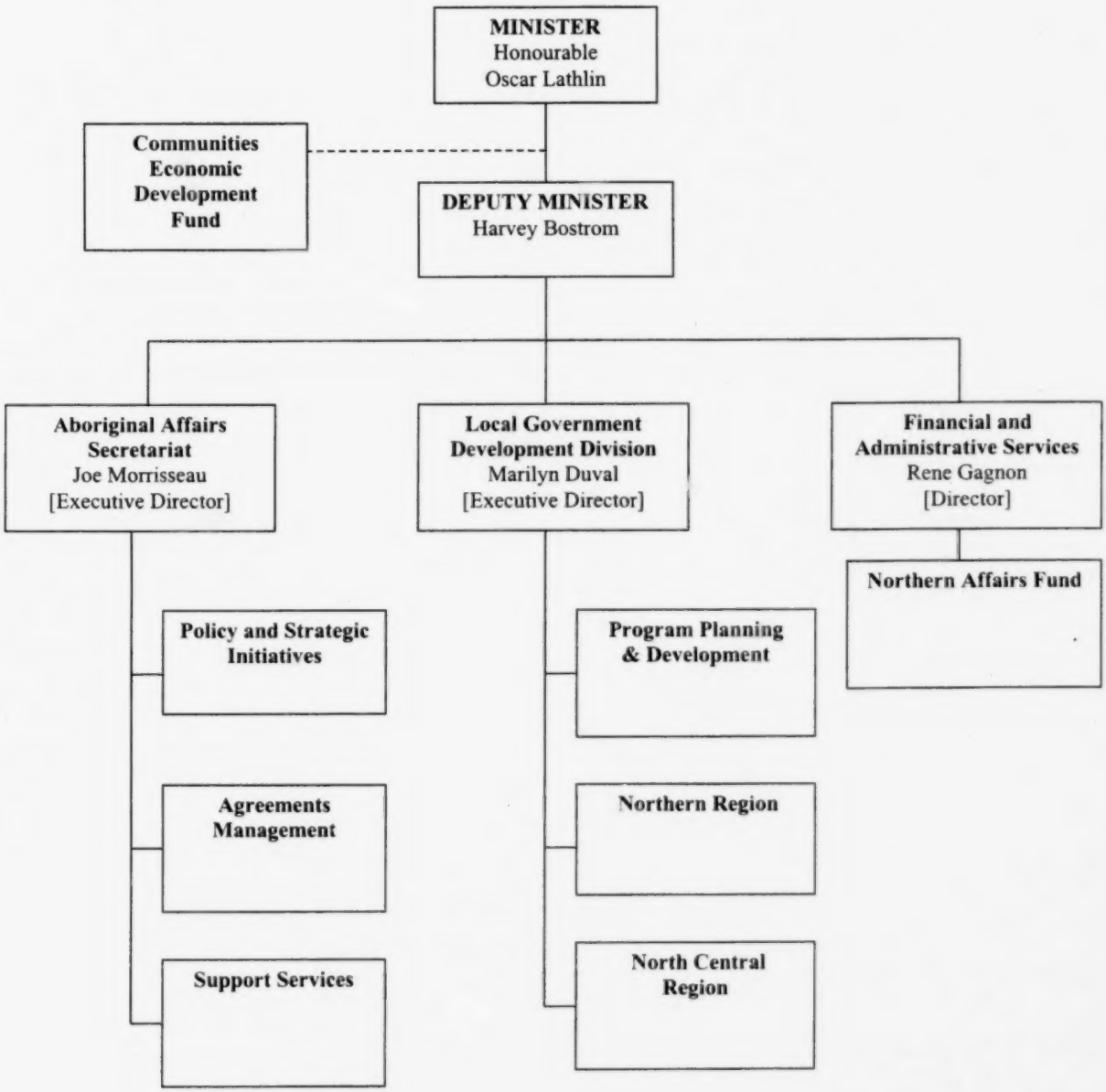
Organization Chart Manitoba Aboriginal and Northern Affairs as of March 31, 2003



Introduction

Report Structure

This Annual Report is organized in accordance with the departmental appropriation structure, which reflects the Department's authorized votes approved by the Legislative Assembly. The Report includes information at the Main and Sub-Appropriation levels relating to the Department's objectives, actual results achieved, financial performance and variances and provides a five-year historical table of departmental expenditures and staffing. Expenditures and revenue variance explanations previously contained in the Public Accounts of Manitoba are now provided in the Annual Report.

Departmental Vision

An improved quality of life and economic conditions for northern Manitobans and Aboriginal people.

Departmental Mission

To facilitate the removal of barriers and the development of better relations between government and the Aboriginal community, leading to successful outcomes for northern and Aboriginal people, based on a common understanding of goals and issues.

Departmental Goals

Strengthen Aboriginal Participation in the Economy

To promote increased employment and sustainable economic growth and development for the northern communities and Aboriginal people.

Strengthen Relations

To develop and strengthen relationships with the Aboriginal community based on mutual respect, trust and understanding.

Strong Community-based Decision Making

To support northern and Aboriginal communities in the development of community based governance and decision-making structures that support self-reliance, choice and control at the local level.

Aboriginal Self Government

To promote the development of Aboriginal self-government.

Social Development

To support the mental, emotional, physical and spiritual well-being of northern communities and Aboriginal people.

Resolution of Provincial Obligations

To resolve outstanding provincial obligations to Aboriginal /northern communities.

Environmental Sustainability

To support northern and Aboriginal communities in ensuring that the air, land and water resources are used in ways that ensure resource sustainability for future generations.

Legislation Administered

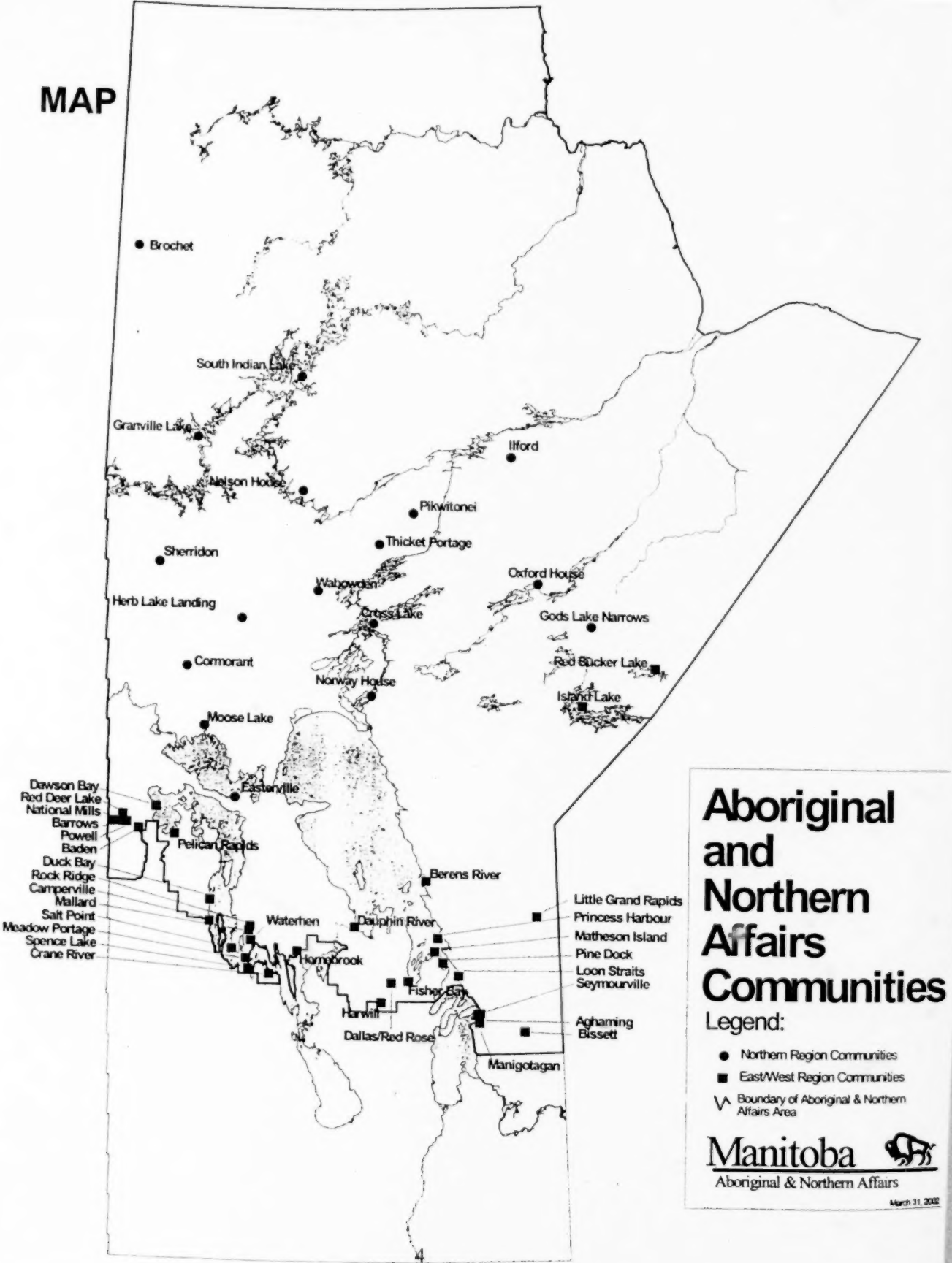
The Department of Aboriginal and Northern Affairs is responsible for the following legislation:

- *The Northern Affairs Act*
- *The Planning Act, (Part 9)*
- *The Communities Economic Development Fund Act*

Jurisdiction

As at March 31, 2003 there were 50 Aboriginal and Northern Affairs Communities. The map on the following page shows the area included in northern Manitoba and the location of all designated Aboriginal and Northern Affairs communities over which the Minster has "municipal" authority.

MAP



Aboriginal and Northern Affairs Communities

Legend:

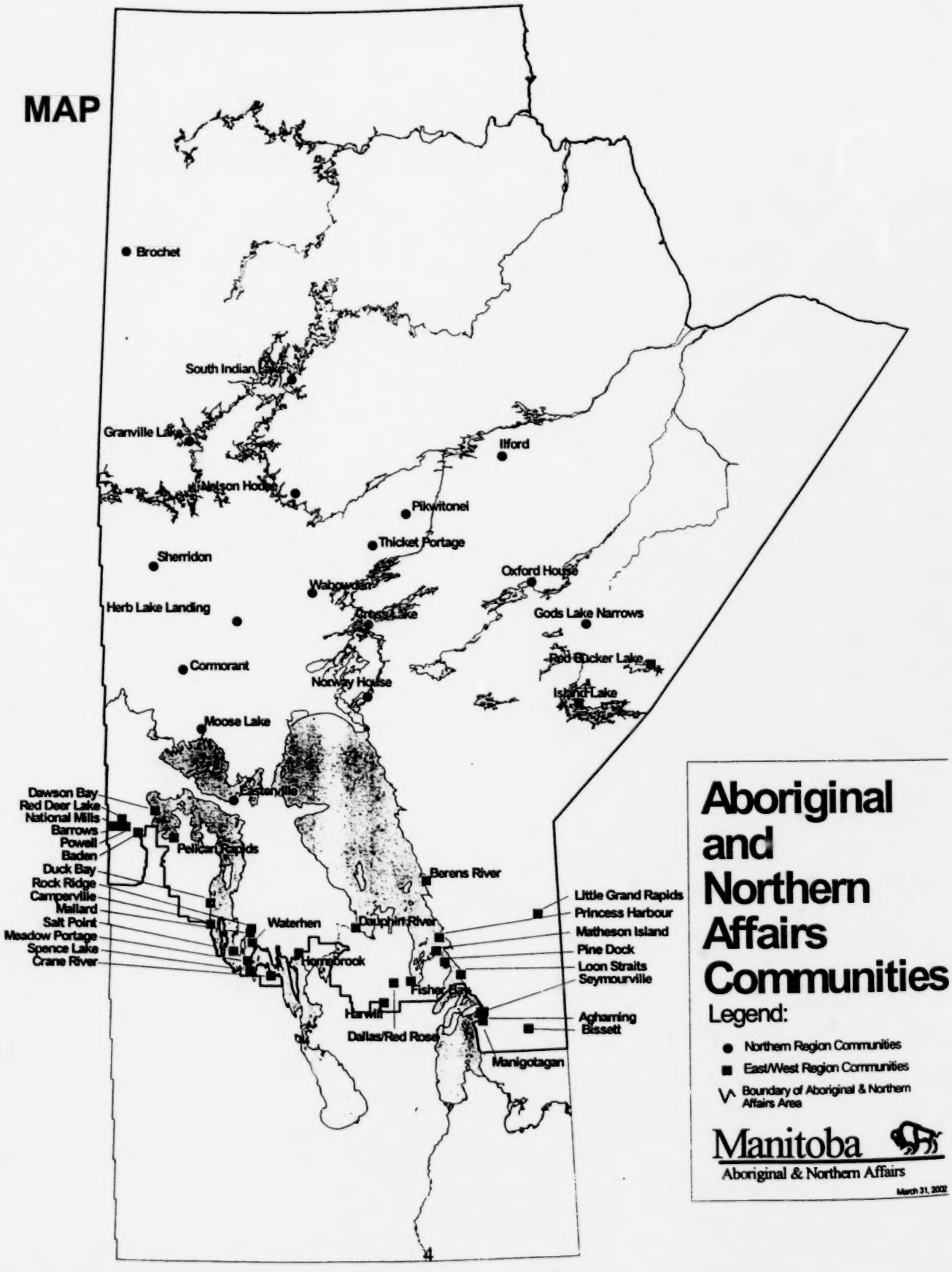
- Northern Region Communities
- East/West Region Communities
- Boundary of Aboriginal & Northern Affairs Area

Manitoba

Aboriginal & Northern Affairs

March 31, 2002

MAP



Aboriginal and Northern Affairs Communities

Legend:

- Northern Region Communities
- East/West Region Communities
- Boundary of Aboriginal & Northern Affairs Area

Manitoba

Aboriginal & Northern Affairs

March 31, 2002

Executive Support

Executive Support includes the offices of the Minister and the Deputy Minister and the Northern Regional Cabinet Office located in Thompson.

The Minister's Office provides leadership and policy direction for the department.

The Deputy Minister's Office provides support to the Minister by providing information and advice. The office also provides executive leadership and operational direction towards the implementation of departmental programs. The Deputy Minister is the Chairperson of the Departmental Executive Committee.

The Northern Regional Cabinet Office provides citizens in northern Manitoba with convenient access to government by providing access to members of cabinet and by providing information regarding government programs and the appropriate provincial staff contacts for those programs.

The Department supports government wide initiatives such as the Northern Development Strategy and the Northern Employment initiative, which is a long-term plan to develop the human and natural resources of the North. Its goal is to create opportunities for social and economic changes that benefit all Northerners. At the heart of the strategy is the belief that the priorities, strengths and experiences of Northerners must guide northern development.

Various divisions of the Department are involved in Aboriginal specific programming and ongoing consultation with the Aboriginal communities and organizations in Manitoba regarding the Aboriginal Justice Inquiry recommendations.

19.1(a) Minister's Salary

Expenditures by Sub-Appropriation	Actual 2002/2003 $	Estimate 2002/2003 FTE	Estimate 2002/2003 $	Variance Over (Under)	Expl. No.
Minister's Salary	28.3	1.00	28.4	(0.1)	
Total Expenditures	**28.3**	**1.00**	**28.4**	**(0.1)**	

19.1(b) Executive Support

Expenditures by Sub-Appropriation	Actual 2002/2003 $	Estimate 2002/2003 FTE	Estimate 2002/2003 $	Variance Over (Under)	Expl. No.
Salaries & Employee Benefits	577.9	12.00	642.4	(64.5)	1
Other Expenditures	238.4		238.8	(0.4)	
Total Expenditures	**816.3**	**12.00**	**881.2**	**(64.9)**	

1) Surplus is due to management vacancy.

Aboriginal and Northern Affairs Operations

Financial and Administrative Services

Rene Gagnon - Director

Financial and Administrative Services is located in Thompson. The branch provides financial comptrollership, fiscal management, financial advice and administrative support services to the Department. The human resource function for the department is included in this branch (see Consolidated Human Resource Unit Section for details on the departmental human resource function).

The Director of Financial and Administrative Services also fulfills the position of Access Coordinator for *The Freedom of Information and Protection of Privacy Act* as well as provides French Language Services for the Department required by *The French Language Services Act*.

The Objectives of Financial and Administrative Services are:

- To provide fiscal management/controllership to the department as delegated by government statutes/ regulations and policies.
- To provide financial advice and support services to assist the departmental divisions in the achievement of their goals and objectives.
- To ensure that all departmental financial activities adhere to all government regulations, policy, and guidelines including writing/amending all departmental financial policies so that they are consistent with those of the government.
- To provide financial analysis on all departmental programs to departmental managers.
- To prepare the departmental estimates.
- To prepare the department's annual report and quarterly cashflow projections including variance explanations.
- To process Freedom of Information requests within specified deadlines.

Results:

- All financial transactions were monitored for compliance with government and departmental rules and regulations. Non-complying transactions were rejected. The Provincial Auditor noted no incidents of departmental non-compliance.
- All support services were provided within established service standards.
- Advice provided resulted in:
  - the allocation of financial resources so that the maximum benefit was obtained
  - acquiring goods and services in an economical, efficient and effective manner.
- Policies and procedures were reviewed and amended on a priority basis.
- Departmental estimates were prepared in compliance with Treasury Board guidelines.

Sustainable Development Report

- With the proclamation of the Sustainable Development Act the Department has instituted a committee to prepare an action plan to meet provincial sustainable development goals. The Director of Financial and Administrative Services is the head of this committee. The following provides an overview of the activities undertaken with this initiative.

In December 2000, Cabinet adopted *Manitoba's Sustainable Development Procurement Guidelines* and directed Manitoba's Procurement Council, to oversee implementation of *The Sustainable Development Act* requirements for Procurement Guidelines, Goals, Organizational Action Plans, and Reporting. Cabinet has established *Manitoba's Sustainable Development Procurement Goals* (May 22nd, 2002) and Departments were required to create Organizational Action Plans to the meet the Goals and submit them to Procurement Council on or before December 31, 2002.

Aboriginal and Northern Affairs prepared an Action Plan that addresses the needs and support the five *Sustainable Development Goals* established by the *Manitoba Procurement Council*. The activities and the actions of the plan can be summarized as follows:

- Increase awareness and knowledge of sustainable procurement practices
- Reduce toxic substance use and purchase by 5%
- Divert solid waste from landfill by 25%
- Reduce consumption and emission of fossil fuels by 5%
- Increase ethanol blended fuel use to 10% of total vehicle fuel purchase
- Reduce total annual consumption of utilities by 15% by 2008
- Increase use of environmentally preferable products and services
- Increase participation of Aboriginal peoples and suppliers, small and community based businesses and co-ops, and the development and growth of local environmental industries and markets.

The Department is particularly interested in the increased participation of Aboriginal people and suppliers in this initiative. The key benefit anticipated, through these initiatives are:

- Stimulation of Aboriginal business development;
- Long term viability of Aboriginal businesses;
- Facilitation of enhanced Aboriginal business capacity;
- Creation of new employment opportunities; and
- Enhancement of the economic self-sufficiency of communities.

As of March 31, 2003, Aboriginal and Northern Affairs had established specific expected results (targets) to be attained in support of the government wide initiative. The department plans to use recycled paper only. Increased usage of recycled products is a key component of this plan. For example, the department will purchase recycled paper and recycled toner cartridges. The department has also provided information to staff in respect to changing driving habits and reducing gasoline consumption.

The Action Plan was adopted in the latter part of the fiscal year. The Department 's plan is in place and it has been reviewed and discussed with all sections of the department.

Staff in the organization are encouraged to support the department in attaining the targets defined. The department continues to strive to attain the targets of the activities defined in the Sustainable Development Plan and look forward to providing positive results for years to come.

19.2(a) Financial and Administrative Services Division

Expenditures by Sub-Appropriation	Actual 2002/2003 $	Estimate 2002/2003 FTE	Estimate 2002/2003 $	Variance Over (Under)	Expl. No.
Salaries & Employee Benefits	380.1	7.00	375.6	4.5	
Other Expenditures	116.9		117.3	(0.4)	
Total Expenditures	**497.0**	**7.00**	**492.9**	**4.1**	

Consolidated Human Resources Unit

The Human Resource Services function for the Department of Aboriginal and Northern Affairs, Transportation and Government Services and Conservation is consolidated into one unit. The Unit provides leadership and support in Human Resource Management and Pay and Benefit Services for the three departments under one Director reporting to the respective departmental Deputy Ministers. The Consolidated Human Resource Unit located in the City of Thompson offers the same range of human resource management to the Northern Divisions that is offered in the southern consolidated offices. The Northern Unit consists of a Human Resource Consultant, Human Resource Assistant and two Pay & Benefits Administrators. This Unit reports to the Director of the Consolidated Human Resource Unit and is the only Consolidated Human Resource Unit with services in the north.

The services include human resource planning and management, recruitment and staffing, compensation and benefits, job classification, labour and employee relations, training and development, performance management and employment equity.

The Unit operates under delegated staffing and classification agreements with the Civil Service Commission whereby all Human Resource staff in the Unit have delegated authority for all three departments.

Accomplishments Specific to Aboriginal and Northern Affairs

- Staffing activity included twelve permanent and term staffing actions, six student hires as well as four term extensions. There are currently two selection decisions being appealed through the Ombudsman Office;
- On-going provision of payroll and benefit administration out of Thompson for 79.5 positions;
- Full working level of a Human Resource Consultant to provide human resource assistance, advice and guidance to northern department staff and management;
- Active participation in Access programs at both Keewatin Community College;
- Summer employment for two Aboriginal Access students attending Keewatin Community College;
- Employment Equity is factored into all staffing actions within the Department. Department representation is:

EMPLOYMENT EQUITY GROUP	EMPLOYEES	PERCENTAGE	VARIANCE + OR -
Female	40	52.0%	-2.7%
Aboriginal	31	40.0%	-0.7%
Disabled	3	3.9%	+ 0.3%
Visible Minority	1	1.3%	- 2.3%

- Ongoing classification services to the department, there were no classification decisions appealed;
- Provision of guidance and advice to management on labour relations, including appropriate action and negotiating settlements to resolve issues before the formal grievance stage. There were no formal grievances;
- Provision of guidance and support to management in organizational review and structural design matters such as;
- The Department of Aboriginal and Northern Affairs has now begun the next step towards integrating competencies into their Human Resource programs - job profiling. Using the competency model, the department has completed the behavioral and technical profiles for their executive and senior level manager positions as well as the Consultant role in our department.
- The department has now implemented the competency based model for training and development of Department employees.

Northern Affairs Fund

Rene Gagnon - Director

The Minister of Aboriginal and Northern Affairs has the authority under Section 11 of *The Northern Affairs Act* to open and maintain bank accounts for the operation of the Northern Affairs Fund. The Fund maintains two bank accounts. One account is the "Specific Purpose Funds Account." This account is used to account for all monies advanced to the Minister for any specific purpose. The main purpose is to administer funds on behalf of designated communities within the jurisdiction of Aboriginal and Northern Affairs in compliance with *The Northern Affairs Act*. Other specific activities include the Municipal Employees Benefit Plan (for community employees), cottage sub-division levies and various "northern" programs/projects administered by Aboriginal and Northern Affairs for various other government departments and other agencies.

The second account is the "Taxation Account." This account is used to account for all monies received by virtue of the Minister's municipal taxation powers (per Section 5 of *The Northern Affairs Act*). *The Assessment Act* and *The Municipal Affairs Act* apply to the municipal tax collection system.

Branch staff administer the activities of the Northern Affairs Fund within applicable statutes and regulations in a manner consistent with departmental policies for development of local government autonomy. Branch staff monitor individual Aboriginal and Northern Affairs communities' financial and operational results by requiring that community auditors provide an opinion on their financial statements, report on adherence to various Acts, Regulations and Agreements, and provide a management letter commenting on the community's management control procedures. Branch staff review these reports and advise appropriate management of significant deficiencies and make recommendations for corrective action.

The Objectives of the Northern Affairs Fund are:

- To administer funds on behalf of designated communities within the jurisdiction of Aboriginal and Northern Affairs in compliance with *The Northern Affairs Act*.
- To provide accounting and trust services in support of the delivery of various government programs.
- To administer the property tax system within the jurisdiction of Aboriginal and Northern Affairs in a manner consistent with accepted municipal practices.
- To administer the municipal employee benefits program for northern communities.
- To administer community audit program including analysis of the audited financial statements, audit reports and management letters and reporting analysis results to management.
- To provide accounting and trust services to cottage subdivisions within Aboriginal and Northern Affairs' municipal jurisdiction.
- To prepare the Northern Affairs Fund financial statements.

Results:

- The fund revenue for 2002/2003 was $19,640,121 and included 17 programs. The major sources of revenue are:

  $278,222 administered for 13 cottage subdivisions in northern Manitoba.
  $2,182,159 in tax revenue [2001 calendar year]
  $2,001,891 in Provincial-Municipal Tax Sharing Grant funds distributed to northern communities and First Nations in Manitoba
  $14,657,478 from Aboriginal and Northern Affairs' appropriations

- The Provincial auditor gave an unqualified opinion on the Financial Statements of the Northern Affairs Fund for the year ending March 31, 2002. These statements are available upon request. The audit for March 2003 was not completed at the time of publication of this report

- Administered the "Municipal Employees Benefit Plan (MEBP)" for the benefit of employees of 25 northern communities.

- For the fiscal year ending March 31, 2002 of 36 communities for which audit opinions were required, 17 received an unqualified opinion, 14 received a qualified opinion, 4 received a denial of opinion and 1 audit report was outstanding as of March 31, 2002. In comparison for the fiscal year ending March 31, 2001, of 37 communities for which audit opinions were required, 26 received an unqualified opinion, 5 received a qualified opinion and 6 received a denial of opinion.

19.2(B-4) Northern Affairs Fund

Expenditures by Sub-Appropriation	Actual 2002/2003 $	Estimate 2002/2003 FTE	Estimate 2002/2003 $	Variance Over (Under)	Expl. No.
Salaries & Employee Benefits	184.3	4.00	212.9	(28.6)	
Other Expenditures	56.7		57.1	(0.4)	
Total Expenditures	**241.0**	**4.00**	**270.0**	**(29.0)**	

Programs and Operational Support

Marilyn Duval - Executive Director

The Executive Director advises the Minister and Deputy Minister on technical and managerial matters related to program development, implementation and service delivery. Programs and Operational Support develops and facilitates inter-departmental partnerships that support economic and local government development in northern Manitoba. It also supports and promotes incorporation as a means for communities to realize greater autonomy. It leads and supports the activities of the Northern Region, the North Central Region and the Program Planning and Development branch. These three operational areas are collectively referred to as the Local Government Development Division.

The Local Government Development Division provides for the municipal requirements of 50 designated northern and remote communities and is committed to the advancement of independent, sustainable local government through a process of partnership and consultation. This commitment is guided by three central objectives:

Good Governance - To support the development of responsible local government through elected community councils, local planning, sound fiscal management, the delivery of municipal services and accountability to local electors.

Improved Quality of Life - To promote a safe and healthy community environment including: community compliance with the Canadian Guidelines for Drinking Water Quality (CGDWQ) and environmental regulations, facilitation of the development and implementation of community recreation and wellness programs, public safety through support for crime prevention, fire safety programs and emergency planning, and strategic economic development in support of sustainable communities and a stronger economy in northern Manitoba.

Holistic Community Development – To support and facilitate community development initiatives that are community-driven, sustainable and collaborative, in partnership with community councils, other provincial departments, jurisdictions and organizations.

Initiatives and activities in support of these goals include:

- **Development of funding options for interim and base level communities**
  The Interim Level of administration and funding was created to address communities who met the criteria for funding under the Local Government Services Program but for various reasons were not in a position to receive full funding under the program. These communities have received funding under the funding formula, with some restrictions.

  Similarly, self-administered communities with populations under 75 are now funded under the funding formula. With the implementation of this change, all communities (except those in Trust) will be funded on the basis of the same formula, ensuring equity and consistency in funding for all communities.

- **"Next Step" Planning and Development Workshops**
  As a follow-up to facilitated staff workshops held during 2001-2002 on the role of the Local Government Development Division and consultants in all program areas, a facilitated workshop and consultation with community representatives, *The Next Steps to Local Governance*, was held in November, 2002. The objective of the workshop was to determine community priorities and anticipated needs for the next five years. The identified priorities will guide planning, program development and resource allocation by the department.

  The workshop was also intended to establish mutual understanding of the roles and responsibilities of communities and the Local Government Development Division to enable us to work effectively towards common goals with an understanding of the part each plays in the community development process.

- **Rural Forum partner**
  The Division provided a financial contribution and in-kind support for Rural Forum 2002.

- **Provincial Initiatives**
  Local Government Development staff participated in a number of Provincial initiatives including the Northern Development Strategy, The Northern Hiring Strategy, the Northern Food Prices Initiative, the Community Economic Development (CED) working group and the Sustainable Development Initiative.

- **Bursary and Employment Program for students from the north**
  The Department is funding a bursary over three years for students from northern communities enrolled in engineering and civil technology. In June of 2002, four aboriginal students received bursaries of $5.0 each, for a total of $20.0, awarded through the Helen Betty Osborne Memorial Foundation.

- **Civil Technology Student work experience**
  Local Government hired three civil technology students for summer employment.

- **Aboriginal student program**
  Local Government committed to hiring Aboriginal Students for summer placements. One Aboriginal student was hired in the summer of 2002.

19.2 (b-1) Programs and Operational Support

Expenditures by Sub-Appropriation	Actual 2002/2003 $	Estimate 2002/2003 FTE	Estimate 2002/2003 $	Variance Over (Under)	Expl. No.
Salaries & Employee Benefits	188.4	3.00	185.7	2.7	
Other Expenditures	80.5		92.5	(12.0)	
Community Operations	8,017.5		7,997.5	20.0	
Regional Services	569.1		478.5	90.6	
Grants	253.7		273.7	(20.0)	
Total Expenditures	**9,109.2**	**3.00**	**9,027.9**	**81.3**	

Northern Region
North Central Region

Northern Region and North Central Region consult, facilitate and provide support to the community councils, employees and contact personnel in 50 designated communities in the jurisdiction. Assistance is available to communities through offices in Thompson, The Pas, Dauphin and Winnipeg on many aspects of local government including: finance and administration, planning, delivery of municipal services, human resource management, election procedures, legal issues such as by-laws, land use planning, contracts and agreements, the identification and development of economic opportunities, the operation and maintenance of water and wastewater treatment facilities, the operation of solid waste sites, capital project engineering and design, the planning and delivery of infrastructure projects, the development and delivery of recreation and wellness programs as well as protective services which includes fire and constable programs and emergency planning.

Development activities are facilitated in partnership with other departments, jurisdictions and agencies whenever possible.

The two Regions deliver their mandate through the following programs:

Municipal Administration Program

This program is intended to support the development of administrative, management and governance skills at the local level.

- **Municipal Administration Committee**
  The Municipal Administration Committee (MAC) completed the development of three new publications in the Community Management Series - a *Financial Management Guide*, a *Council Orientation Manual* and an *Employee Management Guide*. These publications are intended to be a resource for use by council members, community administrators and clerks.

- **Clerk/Administrator Workshops**
  A workshop was held in August for clerks from the North Central Region. The focus of the workshop was computerized accounting as a follow up for those communities recently converted to computerized accounting systems.

  A workshop for administrators and clerks took place in March of 2003. The agenda included a review of the Community Management Series manuals and the Local Government Development Manual of Policies and Procedures, workshops on conflict resolution and performance management and sessions on the Workplace Health and Safety Act, new initiatives from Manitoba Housing, audit results and future training in computerized accounting.

Community Resource Development Program

This program coordinates economic development activity and assists communities identify economic development opportunities and partners.

- **Community round tables – partnership with IAF and CEDF**
  A cornerstone of support for community economic development was implemented last year with a strategic partnership between Intergovernmental Affairs, the Communities Economic Development Fund and Aboriginal and Northern Affairs. This partnership continues to focus on the development of round tables, economic planning and the development of land use plans in support of future development.

Developments this year include setting up the Matheson Island Community Development Corporation and a CDC for Sherridon, the Thicket Portage Round Table, the Seymourville Round Table, and the Nopiming United Round Table. A partnership between 5 Aboriginal and Northern Affairs communities and 2 First Nation communities and formation of the Highway 77 Regional Round Table - a collaboration of 6 communities in the Barrows area.

- **Bay Line Regional Round Table**
  Federal funding obtained through the Sustainable Workforce Project led by Manitoba Keewatinowi Okimakanak Inc (MKO) provided training for an economic development officer. Members of the regional round table include Cormorant, Wabowden, Ticket Portage, Pikwitonei, Ilford and War Lake First Nation.

- **Economic Impact Assessment**
  An economic impact assessment of 26 northern communities is being done in partnership with North Central Development, Human Resources Development Canada, Training and Education, MKO, Keewatin Tribal Council (KTC) and the Manitoba Metis Federation (MMF). Economic linkages and gaps are being identified for communities using Thompson as a service centre.

- **Business Development**
  Business opportunities are being explored in many communities: Dawson Bay Fisherman's Association is looking at opportunities related to fish waste by-products, Thicket Portage and Pikwitonei are negotiating for participation in the construction of winter roads, Cormorant is participating in a Creel and Tourism study in partnership with the Cedar Lake Community Futures, Highway 77 Round Table Tourism Symposium, and Parkland Tourism to develop an action plan and opportunities related to non-timber forest products. The community of South Indian Lake saw completion of a $1.1 million dollar road contract, construction of the winter road to the community and awarding of the contract to do maintenance on the new highway.

- **Partnership with MKO Sustainable Development Workforce Initiative**
  Visioning exercises and economic inventories are planned and being conducted in Easterville, Brochet, Ilford and Moose Lake. These activities engage both northern communities and neighboring First Nations. Where barriers to cooperation may exist between status and non-status communities, one outcome it is hoped, will be a redefining of community as communities of interest and communities of place that focus on common issues and interests.

Public Works Program

Technical Consultants facilitate and support activities related to the construction and maintenance of community infrastructure. Preventative maintenance is a key component of this program.

- **Infrastructure Audits**
  Infrastructure audits were conducted in communities funded under the Local Government Services Program. Deficiencies identified by the audit are being addressed through annual community management plans and budgets.

- **Training for public works employees**
  Public works employees from communities in the Northern Region completed the Water Treatment and Distribution - Level 1 program for water treatment operator certification in October 2002. In September, Sewage Treatment and Collection - Level 1 was attended by community public works employees. Both courses were delivered in Thompson by Red River Community College. Training for communities in the North Central Region is planned for May of 2003.

Environmental Services Program

Environmental Consultants support the operation and maintenance of water and wastewater treatment facilities and waste disposal grounds. Matters of particular concern at present continue to be the mandatory certification of water operators and the assessment and upgrading of water and wastewater facilities.

- **Water Operator Certification**
  The department funds and supports training of water operators. We continue to work closely with Red River Community College and Conservation to address the needs of operators in northern and remote regions. This year new funding of $125.0 was provided for training of primary and back-up operators of all 43-community water treatment plants. Training for operators in the Northern Region has been completed to Level 1,and Level 1 training is scheduled for operators in the North Central Region. Operators are working towards Level III standing.

- **Water Study**
  A study and assessment of water treatment facilities in 43 communities was completed. Work on upgrading the water treatment facilities is proceeding on a priority basis as funds are identified.

- **Wastewater Study**
  A technical advisory committee was struck to make recommendations for the upgrading of wastewater treatment facilities in communities under the jurisdiction of Aboriginal and Northern Affairs. The project commenced in April 2002.

  The study was conducted to evaluate the physical condition, operation and operator effectiveness of all existing wastewater treatment facilities, lagoons, lift stations, mechanical treatment plants and ancillary works to determine the capability of those facilities to meet current and pending provincial guidelines.

- **Remote Monitoring of Wastewater Treatment Plants**
  Remote monitoring of wastewater treatment plants was expanded to include an additional 4 treatment plants, bringing the total being remotely monitored to 10. An additional $57.9 was provided to fund the expanded program.

- **Backup Operators**
  New funding of $41.4 was provided for backup water and wastewater operators for relief of primary operators during periods when the primary operators are absent.

- **Waste Disposal Sites**
  New regulations require that waste disposal sites be fenced, gated and staffed when open. An additional $128.1 provided funding for wages to pay supervisors and the controlled use of community waste disposal sites.

Protective Services Program

The goals are to ensure that adequate and appropriate fire protection is available within communities, that communities are safe from crime and that local authorities have the capacity to respond to emergency situations.

Protective Services Consultants continued to build on established relationships and work in partnership with the Office of the Fire Commissioner, the RCMP and Manitoba Emergency Measures Organization to ensure appropriate and sustainable services are in place.

- **Smoke Detector Initiative**
  To balance the large investment in community fire department infrastructure for fire suppression with a fire prevention approach, the department has distributed smoke detectors through local fire departments to homes in all communities within the jurisdiction (with the exception of CHMM administered homes). The units have a 10-year life span with a non-removable battery. This initiative has already been credited with saving the lives of one family.

Recreation and Wellness Program

This program is intended to assist communities improve quality of life through recreational opportunities and wellness promotion.

- **Support for participation in NAIG**
  Funding provided by the department in support of community participation in the North American Indigenous Games (NAIG) facilitated participation of 172 athletes from 7 communities in qualifying events leading up to the NAIG. This resulted in 37 athletes qualifying for Team Manitoba. Participation in the Games for those who qualified was also funded.

- **Review of Recreation Program & Implementation strategy**
  A comprehensive review of the Recreation Program was undertaken and approval received from management to proceed with implementation of recommendations contained in the report on the program. A 5-step strategy, including promotion, training, planning, reporting and development of partnerships in program delivery is in the early stages of implementation.

- **Circus and Magic Program (CAMP)**
  The division's recreation staff worked with representatives of CAMP and community staff to facilitate delivery of the CAMP program in northern Manitoba. Previously, this very successful program had only been delivered in Winnipeg. With federal funding and support from the Aboriginal Economic Resource and Development Fund, students from Moose Lake, Cormorant and Easterville participated in the program in 2001-2002 and this year youth from Leaf Rapids, Lynn Lake, South Indian Lake, Granville Lake and Gillam participated.

- **Northern Links Workshop**
  Thirty-three participants representing NACC communities, First Nations and friendship centers attended a week-long department sponsored recreation workshop from October 7 to October 11, 2002. The theme of this years workshop was " How to Make Things Work in Your Community" with an emphasis on hands-on learning opportunities and best practices.

- **Orientation Workshop for new Recreation Directors**
  Departmental Recreation Consultants delivered an orientation workshop for newly recruited community recreation directors in May, 2002. Participation by council members who supervise recreation directors was also encouraged to promote communication with councils and support for recreation issues.

- **Recreation and Wellness Fund**
  The department announced a new program for 2002-03 called the Community Wellness and Recreation Fund. The purpose of the fund is to provide funding for communities to pursue development opportunities (otherwise unavailable) that respond to current and unique community needs. Funding is to a maximum of $2.0 per application.

19.2(b-2) Northern Region

Expenditures by Sub-Appropriation	Actual 2002/2003 $	Estimate 2002/2003 FTE	Estimate 2002/2003 $	Variance Over (Under)	Expl. No.
Salaries & Employee Benefits	745.7	14.00	824.3	(78.6)	(1)
Other Expenditures	364.8		347.7	17.1	
Total Expenditures	**1,110.5**	**14.00**	**1,172.0**	**(61.5)**	

(1) Surplus is due to Salary vacancies

19.2(b-2-3) North Central Region

Expenditures by Sub-Appropriation	Actual 2002/2003 $	Estimate 2002/2003 FTE	Estimate 2002/2003 $	Variance Over (Under)	Expl. No.
Salaries & Employee Benefits	792.5	13.00	756.3	36.2	
Other Expenditures	289.3		279.3	10.0	
Total Expenditures	**1,081.8**	**13.00**	**1,035.6**	**46.2**	

Program Planning and Development Services

The Program Planning and Development Branch provides consistent policy and program development; support for strategic and operational planning and performance measurement; communication services; the development of resource manuals and research and analytical capability in support of local government and community development initiatives.

- **Northern Development Minister's Conference**
  The branch provided support for an inter-provincial project on recruitment and retention issues in northern regions, including coordination of Manitoba's contribution and preparation of the final report to the conference. Work is underway on an update to the report for the 2003 Northern Development Ministers Forum.

- **Publication of Resource Manuals**
  This year saw the publication of five new reference guides and a policy and procedure manual intended to assist community councils and community staff with various aspects of community operations. Publications include the Local Government Development Manual of Policies and Procedures, a *Financial Management Guide* and four new publications in the Community Management Series: *Capital Project Planning and Delivery, Employee Management Guide, Subdivision Process Guide* and *Council Orientation Guide.*

  These along with previously published guides in the Community Management series: *Running for Council, Managing Your Own Affairs* and *Community Management Plan Development* have been released in a single binder entitled *Local Government Development Community Management Series Manual.*

- **Departmental Identity**
  An information package on the Department has been finalized. A departmental identity has been developed that will give a consistent "look" to departmental publications and information pieces. The package includes a message from the Minister, organization chart, map and contact list, the department's vision, mission and goals, a brief history of the department and information on the community served by Aboriginal and Northern Affairs.

- **Community Elections**
  Community elections held in the second week of February were coordinated and supervised by the Principle Electoral Officer working out of the branch.

- **Community Incorporation**
  Discussions and planning are on going with several communities, which are looking at incorporating. Working groups have been established consisting of council members and departmental and community staff. Cross Lake, Nelson House and Seymourville are tentatively slated for incorporation in 2004-05 and Norway House and Wabowden in 2005-06.

- **Northern Affairs Act Review**
  The first major review of *The Northern Affairs Act* since 1988 was completed last year. Work continued this year on the drafting of a new act.

19.2(B-5) Program Planning & Development Services

Expenditures by Sub-Appropriation	Actual 2002/2003 $	Estimate 2002/2003 FTE	Estimate 2002/2003 $	Variance Over (Under)	Expl. No.
Salaries & Employee Benefits	390.5	6.00	398.2	(7.7)	
Other Expenditures	100.4		100.9	(0.5)	
Total Expenditures	**490.9**	**6.00**	**499.1**	**(8.2)**	

Aboriginal Affairs Secretariat

Joe Morrisseau – Executive Director

The Aboriginal Affairs Secretariat's priority is to bring a focus to Aboriginal quality of life issues. The Secretariat endeavors to provide a global perspective, across government, of progress toward achieving quality of life for Aboriginal Manitobans.

Aboriginal Affairs promotes innovative policy and program development through identification of the needs of Aboriginal people, through the provision of accurate, relevant, timely information, and through the development of partnerships with the Aboriginal community, other government departments, other levels of government, and the private sector.

The Secretariat undertakes the coordination, negotiation, analysis and implementation of initiatives, arrangements and agreements which impact on northern Manitoba, its communities, residents, land base and related programs.

Support Services

Support Services objectives are:

- To provide the department with coordination and monitoring of information technology activities.
- To provide Aboriginal Affairs Secretariat with quality administrative management services, including financial administration, basic human resource services, management reporting, information technology management, and administrative support services.
- To provide Aboriginal Affairs Secretariat with technical research and special project support.

Results:

- Participated with other provincial government departments on the provincial Information Technology Council.
- Coordinated and monitored departmental information technology activities for adherence to standard government policies and practices.
- Efficient use of human and financial resources in reaching the program objectives.
- Support services were provided within established service standards.
- Participated in the provincial Youth Transition Program and provided a recent high school graduate with ten months of employment with the department. Upon completion of the work term and enrolment in a post-secondary education program, the student was eligible for a $3.0 bursary from Student Aid.

19.2(C-1) Support Services

Expenditures by Sub-Appropriation	Actual 2002/2003 $	Estimate 2002/2003 FTE	Estimate 2002/2003 $	Variance Over (Under)	Expl. No.
Salaries & Employee Benefits	338.2	6.50	314.6	23.6	
Other Expenditures	88.0		84.2	3.8	
Total Expenditures	**426.2**		**398.8**	**27.4**	

Agreements Management

To ensure that government departments modify their current policies and program delivery in the areas of health, education, social services, justice and economic and community development to achieve improved well being for Aboriginal and northern Manitobans.

To ensure the negotiation and successful implementation of settlements that will, collectively and individually, resolve land and other issues that relate to hydroelectric development, treaty land entitlement and other land exchange and/or land use related agreements.

Activities:

Promoted the development of better relations and an atmosphere of partnership and trust between government and the Aboriginal community:

- through informational presentations to government and non-government groups,
- through the coordination of forums for information sharing between government departments and Aboriginal organizations who share common goals and issues.

Established and maintained contacts and working relationships with other jurisdictions, provincial government departments, organizations and other Aboriginal/northern interests in support of northern Manitoba, its communities and residents.

Continued the negotiation and implementation of Manitoba's obligations under the Northern Flood Agreement (NFA).

- Developed and conducted implementation processes and related programs with Cross Lake First Nation, Canada and Manitoba Hydro.
- Conducted land exchange process including the surveying of land exchange sites at Cross Lake and Norway House.
- Participated in discussions with the Cross Lake Trappers' Association.

Continued implementation activities related to signed NFA Comprehensive Implementation Agreements (CIA's) with Split Lake First Nation, Nelson House First Nation, York Factory First Nation and Norway House First Nation.

- Participated on and provided ongoing support to four resource co-management boards.
- Coordinated land transfer process for lands designated to be reserve under NFA CIA's.
- Coordinated issuing of permit and fee simple land as specified in the Comprehensive Implementation Agreements.

Coordinated the NFA arbitration process for Cross Lake First Nation and other individual claims under the NFA, including conducting the process for the selection of a new Arbitrator.

Continued discussions toward settlements for adverse effects of hydro projects with the communities of Norway House, Cross Lake and Nelson House and War Lake First Nation.

Negotiated claims with non-NFA communities impacted by hydro development.

- Participated in the negotiation and signing of an Agreement-in-Principle for a settlement agreement with Fox Lake First Nation and Manitoba Hydro.
- Participated in the negotiation of a settlement with the Grand Rapids fishermen.

Participated on and provided ongoing support to the Cormorant Resource Co-Management Board.

Continued development of a final settlement agreement with the Grand Rapids Forebay communities of Mosakahiken Cree Nation, Chemawawin Cree Nation, Moose Lake and Easterville.

Continued negotiations with Canada and Peguis First Nation to address outstanding Treaty Land Entitlement (TLE).

Continued implementation of signed TLE agreements and processed land selections and acquisitions.

- Continued to develop and establish implementation dispute resolution/mediation/arbitration process of the TLE Framework Agreement through the Implementation Monitoring Committee (IMC) and the Senior Advisory Committee (SAC).
- Initiated the development of a support strategy for municipalities and First Nations considering conversion to reserve land within municipal boundaries.
- Worked with the department of Intergovernmental Affairs in the development of processes to address tax loss and other municipal issues related to TLE land selections and acquisitions.
- Prepared a comprehensive Reference Manual to assist Municipalities and First Nations in the negotiation of Municipal Development & Services Agreements.
- Led the Provincial Implementation Team in evaluating and processing TLE land selections.
- Continued the Crown land transfer process involving 748,270 acres selected as of March 31, 2003. 175,415 acres were surveyed for transfer to Canada.
- Participated in the development of draft Agreed Forms to facilitate the implementation of TLE.
- Provided public information regarding the implementation of the TLE Framework Agreement and detailed information to municipalities and other stakeholders where necessary.

Provided information and support to those First Nations considering the signing of Treaty Land Entitlement (TLE) agreements under the Framework Agreement.

Continued the TLE Crown land selection and acquisition process for other TLE agreements.

- Processed TLE selections for Garden Hill and Red Sucker Lake, Swan Lake, Long Plain, and Roseau River.

Coordination activities/initiatives include:

- Participated in the development of a Shoal Lake Watershed Management Plan with Ontario and the First Nations, focussed on protection and maintenance of an excellent quality of water at Shoal Lake.
- Led the provincial negotiation process toward a settlement of land exchange related to provincial road right-of-way across the Waterhen Reserve.
- Provided provincial participation along with the departments of Education and Training and Conservation, on the Board of Directors for the Churchill Northern Studies Centre.
- Participated on the Churchill Rocket Range and Research Committee.
- Participated on the Northern Forest Diversification Centre interdepartmental working group.
- Participated in discussions with Peguis First Nation regarding flooding and mould issues related to the chronic flooding conditions in the Fisher River system.
- Participated on various committees and working groups toward economic development of Aboriginal and northern Communities.

Major Accomplishments include:

Negotiated and signed Agreements-in-Principle along with Manitoba Hydro, with the communities of Cross Lake and Norway House. These Agreements-in-Principle set out the details for reaching final settlement agreements for impacts related to past hydroelectric projects.

Developed a 15-month Action Plan with Manitoba Hydro for the implementation of the NFA for Cross Lake First Nation.

Participated with Canada in the transfer of provincial Crown land to reserve status for the Cross Lake First Nation to meet Northern Flood Agreement obligations.

In conjunction with Manitoba Hydro and the Cross Lake Trappers Association, initiated a study of the Cross Lake trapping industry.

In conjunction with the Department of Intergovernmental Affairs, developed a Tax Loss Compensation Program and Guidelines for municipalities where lands are to be converted to reserve status for treaty land entitlement purposes.

Continued working with the commercial fishers of Berens River and other fishing communities on Lake Winnipeg to assist them in the development of their associations and to improve the viability and sustainability of their fishing industry.

19.2(C-2) Agreements Management

Expenditures by Sub-Appropriation	Actual 2002/2003 $	Estimate 2002/2003 FTE	Estimate 2002/2003 $	Variance Over (Under)	Expl. No.
Salaries & Employee Benefits	443.0	6.00	393.0	(50.0)	
Other Expenditures	262.0		140.6	121.4	(1)
Northern Flood Program	1,355.0		1,355.0		
Total Expenditures	**2,060.0**	**6.00**	**1,888.6**	**171.4**	

(1) The variance represents costs associated with TLE implementation. Funds for this purpose were reallocated from encumbered funds per the expenditures measures exercise.

Policy and Strategic Initiatives

Ensure that government departments modify their current policies and program delivery in the areas of health, education, social services, justice, economic and community development to achieve improved well being for Aboriginal Manitobans.

Negotiate and implement self-government options with Sioux Valley First Nation, Aboriginal Council of Winnipeg and the Manitoba Metis Federation.

Provide and leverage financial and technical resources in support of Aboriginal capacity building initiatives.

Activities:

Promoted the development of better relations and an atmosphere of partnership and trust between government and the Aboriginal community:

- through informational presentations to government and non-government groups,
- by working with Aboriginal organizations in the preparation of business plans reflecting common goals and issues, and
- through the coordination of forums for information sharing between government departments and Aboriginal organizations on common goals and issues.

Promoted the development of coordinated Aboriginal policies and programs which enhance the ability of the Province to respond to Aboriginal issues in a timely and effective manner.

- Took the lead, or participated in, interdepartmental or intergovernmental working groups and steering committees such as the Urban Aboriginal Strategy, Manitoba Justice Working Group, Healthy Child Manitoba, Neighbourhoods Alive, Suicide Prevention, Child Welfare Initiative, HIV/AIDS Strategy, Island Lake Working Group, and Swampy Cree Mediation on Health to develop or review policies, programs and initiatives.
- Maintained liaison with other provincial departments to ensure continuity and consistency of program development and implementation.
- Responded to departmental requests to review policies, programs and proposals and provide advice on matters of concern for Aboriginal Manitobans.
- Coordinated information on government activities in response to Aboriginal Justice Implementation Commission (AJIC) report recommendations and worked towards the establishment of the AJIC Committee of Cabinet.
- In response to key recommendations of the AJIC, co-chaired the Joint Management Committee to design and develop the plans for mandated Aboriginal Child and Family Services to be implemented and managed by First Nations, Metis and General Authorities.

Developed strategies to address the needs of Aboriginal people.

- Participated on the Northern Development Strategy Coordinating Group and has a proponent membership in each of the five interdepartmental working groups to maintain continuity of information and planning.
- Developed and implemented an Aboriginal employment strategy including working with Regional Health Authorities to promote the recruitment, employment and retention of Aboriginal people in all levels of employment with the Regional Health Authorities and the employer groups that they represent.
- Co-chaired a working group on the development of a Northern Hiring process.
- Chaired a multi-jurisdictional Steering Committee and compiled a Northern Food Prices report for the Healthy Child Committee of Cabinet.

- Continued partnership with the Winnipeg Chamber of Commerce, Manitoba Business Council, the Department of Education, Training and Youth and the Aboriginal Human Resources Development Council of Canada, to identify and develop Aboriginal human resource strategies for corporations operating in Manitoba.
- In partnership with the Department of Education, Training and Youth, provided $200,000 to Partners for Careers for a store front operation in Winnipeg and to continue work with Manitoba Indian and Metis Friendship Centres with placing Aboriginal graduates in careers.

Provided a coordinated Provincial response to Aboriginal requests for assistance and support for Aboriginal initiatives.

- Participated as a board member of the North American Indigenous Games Host Society in the planning and organization of the 2002 Games.
- Hosted a Western/Territorial Forum of Aboriginal Affairs Ministers in July 2002 to encourage increased support for the Games.

Provided and leveraged financial and technical resources in support of Aboriginal capacity building initiatives.

- Administered the Aboriginal Development Program by:
  - receiving business plans from seven Aboriginal organizations, disbursing core funding to the Manitoba Association of Friendship Centres, the Manitoba Metis Federation, the Assembly of Manitoba Chiefs, the Manitoba Keewatinowi Okimakinak, the Southern Chiefs Organization, Mothers of Red Nations and the Manitoba Aboriginal Sport and Recreation Council, and monitoring outcomes,
  - providing funding to two Aboriginal organizations in support of self-government tripartite negotiations, and
  - assessing project proposals and disbursing grants for community-based projects benefiting Aboriginal communities.
- Administered and monitored the Aboriginal Economic and Resource Development (AERD) Fund by assessing project proposals from community-based Aboriginal groups, making recommendations on project funding and disbursing grants.

Took the lead in the tripartite process representing Manitoba in discussions and negotiations relating to self-government and federal provincial cooperative arrangements for Aboriginal peoples in forums such as:

- Participated with Sioux Valley First Nation and Canada in the development of a Comprehensive Agreement, which may result in a model for future provincial community-based self-government agreements.
- Participated in the tripartite process with the federal government and the Aboriginal Council of Winnipeg to develop initiatives to address the priorities of Aboriginal people living in Winnipeg. Progress was made in a range of projects such as labour market training, Aboriginal Community Campus, Circle of Life Thunderbird House, Aboriginal Health and Wellness Centre, and a new Justice Initiative.
- Participated in tripartite discussions with the Manitoba Metis Federation and the federal government to consider matters of priority to the Metis. Progress was made in a number of sectors such as education and training, child and family services, housing, economic development, and database and research.

Cooperated with other provinces, territories and national Aboriginal groups to address Aboriginal issues.

- Participated on the Federal/Provincial/Territorial/Aboriginal (FPTA) Forum where Ministers and National Aboriginal Leaders have added education and housing as national Aboriginal priorities and continued support of initiatives related to the *Strengthening the Aboriginal Participation in the Economy* report.

- Participated in the National Aboriginal Business Summit held in Toronto in February 2003 and the Western/Territorial Aboriginal Business Summit held in Saskatoon in March 2003.

Major Accomplishments include:

Partnership agreement was signed with the Nor-Man Regional Health Authority in which the parties agree to work together with the Aboriginal community on the six-point agreement towards increased Aboriginal participation in Norman's workforce.

In participation with Federal/Provincial/Territorial/Aboriginal (FPTA) Ministers and leaders, continued support of national and regional initiatives under *Strengthening Aboriginal Participation in the Economy* such as the National Aboriginal Youth Strategy and established working groups of FPTA officials on the additional priorities on education and housing.

The province signed five year renewals of Memorandum of Understanding to March 2007 with the Privy Council of Canada, Manitoba Metis Federation, and the Aboriginal Council of Winnipeg for continued tripartite negotiations and implementations of agreed upon projects and initiatives on priority areas identified by the membership of the organizations.

The Island Lake Memorandum of Understanding was renewed and construction began on an interim dialysis unit center at Garden Hill.

Supported and provided resources for the second provincial forum on suicide prevention in November 2002. Time was devoted to presentations and discussions on Aboriginal suicide issues and prevention needs.

The Aboriginal Economic and Resource Development Fund (AERD) committed support for 61 projects for a total grant value of $1,399,993. Total budgeted value of these projects was $13,560,993. The total provincial commitment to these projects was $2,992,922 resulting in leveraged dollars outside provincial government sources of $10,568,071.

The Aboriginal Development Fund provided:

- core funding totaling $1,898,400 to seven Aboriginal organizations.
- funding to two Aboriginal organizations in the total amount of $300,000. in support of self-government tripartite negotiations.
- grants totaling $94,634 for 52 community-based projects benefiting Aboriginal communities.

19.2(C-3) Policy & Strategic Initiatives

Expenditures by Sub-Appropriation	Actual 2002/2003 $	Estimate 2002/2003 FTE	Estimate 2002/2003 $	Variance Over (Under)	Expl. No.
Salaries & Employee Benefits	368.0	7.00	477.7	(109.7)	
Other Expenditures	142.0		132.5	9.5	
Aboriginal Development Programs	2,218.0		2,293.3	(75.3)	(1)
Aboriginal Economic and Resources Development Fund	1,224.9		1,400.0	(175.1)	(1)
Partners For Careers	200.0		200.0		
Total Expenditures	**4,152.9**	**7.00**	**4,503.5**	**(350.6)**	

1) Funds were encumbered to accommodate the expenditure measures exercise.

Communities Economic Development Fund

Gordon Wakeling - General Manager and CEO

The Communities Economic Development Fund (The Development Fund) is a provincial Crown Corporation providing an alternate source of financing for the support of sustainable economic development in northern Manitoba. The Business Loans Program provides financial assistance in the form of loans and loan guarantees for small business development and expansion. The loan applicants must comply with specific criteria to become eligible. Business Loan consultants, of the Development Fund's, play an important role in consultation for small business development, expansion and restructuring.

The Development Fund administers the Fisherman's Loan Program under Part III of *The Fisheries Act*. The purpose of this loan program is to assist commercial fishermen with the purchase or repair of fishing equipment and the purchase of quota entitlements. The program is available to licensed Manitoba commercial fishermen over 18 years of age.

The Fund's Team program is a micro-enterprise development program. The program provides clients with Technical Assistance (business problem solving), Group Support, and Financial Assistance in the form of loans. TEAM's objective is to encourage a supportive business environment in communities.

Details of the Development Fund's Financial Statement and current activities are available in its Annual Report.

19.2(D) Communities Economic Development Fund

Expenditures by Sub-Appropriation	Actual 2002/2003 $	Estimate 2002/2003 FTE	Estimate 2002/2003 $	Variance Over (Under)	Expl. No.
Total Expenditures	**1,493.1**		**1,514.9**	**(21.8)**	

Capital Grants Program

This program provides financial support to communities for the construction of municipal infrastructure and offers consulting services and support for the development of community capacity for project delivery.

- **The Capital Review Board**
  The Board reviewed 46 project applications in 2002/2003. Twenty-five of these projects were recommended to the Minister for approval - 12 for delivery in 2003-04 ($693.6) and 13 for delivery in 2004-05 ($749.0).

- **Capital Projects for delivery in 2002/03**
  A total of 41 projects with a cumulative value of $5,158.3 were delivered in 2002/03. Major projects include Brochet wastewater treatment plant, Easterville lagoon, Pelican Rapids community hall, Berens River road upgrade, Seymourville regional waste disposal site, Duck Bay water lines and Manigotagan fire truck replacement. A portion of the cost to replace the Camperville Water Plant, due to a fire was processed in 2002/2003.

- **Canada-Manitoba Infrastructure Program**
  The division took advantage of the new federal infrastructure program, and applications for twenty-seven projects from nineteen communities were submitted. Nine projects were approved including Camperville and Duck Bay water and wastewater line replacement; Cormorant water treatment plant; Brochet wastewater treatment plant, Wabowden waste disposal site; Easterville wastewater lagoon; Pikwitonei and Waterhen water treatment plant upgrades; and a recreation facility for Meadow Portage. The Local Government Development Division participated on a special municipal advisory committee, the *Provincial-Local Consultative Committee on Infrastructure (PLCC)* which played a significant and active role in the project selection process. Our Capital Program has been able to accelerate project delivery through leveraging funding available through this federal-provincial partnership.

19.3 Capital Grants Program

Expenditures by Sub-Appropriation	Actual 2002/2003 $	Estimate 2002/2003 FTE	Estimate 2002/2003 $	Variance Over (Under)	Expl. No.
Northern Communities	5,158.3	5.00	5,158.3		
Community Access and Resource Roads	235.0		235.0		
Total Expenditures	**5,393.3**	**5.00**	**5,393.3**		

Amortization of Capital Assets

Provides for amortization of the Department's share of the Desktop Management and the Better Methods (SAP) initiatives.

19.4 Amortization of Capital Assets

Expenditures by Sub-Appropriation	Actual 2002/2003 $	Estimate 2002/2003 FTE	Estimate 2002/2003 $	Variance Over (Under)	Expl. No.
Total Expenditures	**119.6**		**120.8**	**(1.2)**	

Financial Information

Reconciliation Statement

DETAIL	2002/2003 ESTIMATES
2002/2003 Main Estimates	$27,340.0
Transfer to Healthy Child Manitoba	$53.0
Transfer to Family Services and Housing	$60.0
2002/2003 ESTIMATES	$27,227.0

Department of Aboriginal and Northern Affairs

Expenditure Summary

for fiscal year ended March 31, 2003 with comparative figures for the previous year

Estimate 2002/2003 $(000's)	Appropriation	Actual 2002/2003 $(000's)	Actual 2001/2002 $(000's)	Increase (Decrease) $(000's)	Explanation No.
	19-1 Aboriginal and Northern Affairs Executive				
28.4	a) Minster's Salary	28.3	28.0	0.3	
	b) Executive Support				
642.2	Salaries	577.9	728.8	(150.9)	
238.8	Expenditures	238.4	240.7	(2.3)	
881.2		816.3	969.5	(153.2)	
909.6	**Total 19-1**	**844.6**	**997.5**	**(152.9)**	

Estimate 2002/2003 $(000's)	Appropriation	Actual 2002/2003 $(000's)	Actual 2001/2002 $(000's)	Increase (Decrease) $(000's)	Explanation No.
	19.2 Aboriginal and Northern Affairs Operations				
	a) Financial and Administrative Services				
375.6	Salaries	380.1	363.1	17.0	
117.3	Expenditures	116.9	126.6	(9.7)	
492.9		497.0	489.7	7.3	
	b-1) Programs and Operational Support				
185.7	Salaries	188.4	182.3	6.1	
92.5	Expenditures	80.5	92.5	(12.0)	
7,997.5	Community Operations	8,017.5	7,727.0	290.5	
478.5	Regional Services	569.1	558.9	10.2	
273.7	Grants	253.7	253.7	-	
9,027.9		9,109.2	8,814.4	294.8	
	b-2) Northern Region				
824.3	Salaries	745.7	772.7	(27.0)	
347.7	Expenditures	364.8	342.9	21.9	
1,172.0		1,110.5	1,115.6	(5.1)	
	b-3) North Central Region				
756.3	Salaries	792.5	711.5	81.0	
279.3	Expenditures	289.3	291.8	(2.5)	
1,035.6		1,081.8	1,003.3	78.5	

Expenditure Summary (continued)

Estimate 2002/2003 $(000's)	Appropriation	Actual 2002/2003 $(000's)	Actual 2001/2002 $(000's)	Increase (Decrease) $(000's)	Explanation No.
	19.2 Aboriginal and Northern Affairs Operations (continued)				
	b-4) Northern Affairs Fund				
212.9	Salaries	184.3	209.6	(25.3)	
57.1	Expenditures	56.7	61.6	(4.9)	
270.0		241.0	271.2	(30.2)	
	b-5) Program Planning and Development				
398.2	Salaries	390.5	368.4	22.1	
100.9	Expenditures	100.4	102.9	(2.5)	
499.1		490.9	471.3	19.6	
	c-1) Support Services				
314.6	Salaries	338.2	348.6	(10.4)	
84.2	Expenditures	88.0	96.6	(8.6)	
398.8		426.2	445.2	(19.0)	
	c-2) Agreements Management				
393.0	Salaries	443.0	398.5	44.5	
140.6	Expenditures	262.0	286.0	(24.0)	
1,355.0	Agreements Implementation	1,355.0	1,437.4	(82.4)	
1,888.6		2,060.0	2,121.9	(61.9)	

Expenditure Summary (continued)

Estimate 2002/2003 $(000's)	Appropriation	Actual 2002/2003 $(000's)	Actual 2001/2002 $(000's)	Increase (Decrease) $(000's)	Explanation No.
	19.2 Aboriginal and Northern Affairs Operations (continued)				
	c-3) Policy & Strategic Initiatives				
477.7	Salaries	368.0	374.8	(6.8)	
132.5	Expenditures	142.0	148.9	(6.9)	
2,293.3	Aboriginal Development Programs	2,218.0	2,321.7	(103.7)	
1,400.0	Aboriginal Economic and Resources Development Fund	1,224.9	680.9	544.0	
200.0	Partners for Careers	200.0	200.0	-	
4,503.5		4,152.9	3,726.3	426.6	
1,514.9	d) Communities Economic Development Fund	1,493.1	1,487.1	6.0	
20,803.3	**Total 19.2**	**20,662.6**	**19,946.0**	**716.6**	

Expenditure Summary (continued)

Estimate 2002/2003 $(000's)	Appropriation	Actual 2002/2003 $(000's)	Actual 2001/2002 $(000's)	Increase (Decrease) $(000's)	Explanation No.
	19-3 Capital Grants				
5,158.3	a) Northern Communities	5,158.3	2,768.3	2,390.0	
235.0	b) Community Access and Resource Roads	235.0	135.0	100.0	
5,393.3	**Total 19.3**	**5,393.3**	**2,903.3**	**2,490.0**	
120.8	**19-4 Amortization of Capital Assets**	119.6	128.9	(9.3)	
120.8	**Total 19-4**	**119.6**	**128.9**	**(9.3)**	
27,227.0	**TOTAL EXPENDITURES**	**27,020.1**	**23,975.7**	**3,044.4**	

Department of Aboriginal and Northern Affairs

Expenditure Summary by Main Appropriation

for fiscal year ended March 31, 2003 with comparative figures for the previous year

Estimate 2002/2003 $(000's)	Appropriation	Actual 2002/2003 $(000's)	Actual 2001/2002 $(000's)	Increase (Decrease) $(000's)	Explanation No.
909.6	19-1 Aboriginal and Northern Affairs Executive	844.6	997.5	(152.9)	
20,803.3	19-2 Aboriginal and Northern Affairs Operations	20,662.6	19,946.0	716.6	
5,393.3	19-3 Capital Grants	5,393.3	2,903.3	2,490.0	
120.8	19-4 Amortization of Capital Assets	119.6	128.9	(9.3)	
27,227.0	**Total**	**27,020.1**	**23,975.7**	**3,044.4**	

Department of Aboriginal and Northern Affairs

Five Year Expenditure and Staffing by Appropriation ($000's)

For years ending March 31, 1999 - March 31, 2003

Actual/Adjusted Expenditures

Appropriation	1998-1999		1999-2000		2000-2001		2001-2002		2002-2003	
	FTE	$	FTE	$	FTE	$	FTE	$	FTE	$
Aboriginal and Northern Affairs Executive	7.50	429.9	13.00	852.7	13.00	846.4	13.00	997.5	13.00	844.6
Aboriginal and Northern Affairs Operations	69.50	15,248.4	67.50	17,057.4	68.50	19,388.1	68.50	19,946.0	66.50	20,662.6
Acquisition/Construction	6.00	2,604.9	6.00	2,608.5	5.00	2,602.5	5.00	2,903.3	5.00	5,393.3
Amortization of Assets				120.7		130.0		128.9		119.6
Total Expenditure	**83.00**	**18,283.2**	**86.50**	**20,639.3**	**86.50**	**22,967.0**	**86.50**	**23,975.7**	**84.50**	**27,020.1**

Department of Aboriginal and Northern Affairs

Revenue Summary by Source ($000's)

for year ended March 31, 2003 with comparative figures for the previous fiscal year

Actual 2001/2002	Actual 2002/2003	Increase (Decrease)	Source	Actual 2002/2003	Estimate 2002/2003	Variance	Expl. No.
			Other Revenue:				
			a) Sundry				
6.0	3.3	(2.7)	Recoveries From Community Councils	3.3		3.3	
50.8	57.0	6.2	Chief Place of Residency	57.0	54.0	3.0	
56.8	60.3	3.5		60.3	54.0	6.3	
			Government of Canada:				
60.5	37.1	(23.4)	a) Northern Flood	37.1	100.0	(62.9)	
117.3	**97.4**	**(19.9)**	**TOTAL DEPARTMENT**	**97.4**	**154.0**	**(56.6)**	

Includes 10% post-consumer waste